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SUBJECT: HONG KONG PAN-DEMOCRATS DISMISS USING BY-ELECTIONS AS DEMOCRACY REFERENDUM

REF: HONG KONG 1490

Classified By: Acting Consul General Christopher Marut for reasons 1.4 (b) and (d)

¶11. (C) Summary and Comment: A proposal by the radical League of Social Democrats that five pan-democratic Legislative Council (LegCo) incumbents -- one per geographic constituency -- resign to run for re-election as a "referendum" on democratic reform is not getting any takers, and will likely die a natural death. The LSD argues Beijing will choose compromise over a fight with the pan-democrats that will draw negative international attention and empower Taiwan critics of engagement with the Mainland. Current demographics suggest the pan-democrats are popular enough as a bloc to win all five seats. However, losing even three of the five would cost the pan-democrats their "blocking minority" in LegCo, leaving the government with a reliable 2/3 majority sufficient to make changes to the Basic Law. No other pan-democratic party has formally embraced the plan, and individual members who have spoken to us all think the plan is a bad idea. The LSD has said they will resign themselves if the pan-democrats do not adopt the plan, but at least one pan-democratic veteran doubts they would go through with it. While pro-Beijing media have criticized the referendum as a waste of time and money, pro-Beijing political parties have stated they are willing to fight for all five seats. End summary and comment.

¶12. (C) The radical League of Social Democrats (LSD) have proposed that five members of the pan-democratic legislative caucus -- one in each geographic constituency (GC) -- resign from their seats to force a by-election. The process of the by-election would serve as a "referendum" on the issue of universal suffrage, particularly to push Beijing to offer clarity on the roadmap to universal suffrage elections in 2017 (Chief Executive) and 2020 (Legislative Council - LegCo). The LSD is proposing announcing the by-elections in October, so as to allow adequate time to campaign, but this would mean they would push the issue prior to the government's submitting its consultation paper, which will presumably occur after the October 14 Policy Address. The putative five would be LSD Chairman Raymond "Mad Dog" Wong Yuk-man in Kowloon West, the Civic Party's Alan Leong Kah-kit in Kowloon East, pan-democratic "box-lunch caucus" convenor Cyd Ho Sau-lan on Hong Kong Island, DPHK Vice Chair Emily Lau Wai-hing in New Territories East, and either the Confederation of Trade Union's (CTU) Lee Cheuk-yan or another DPHK legislator in New Territories West.

The LSD's Bad Trip

¶13. (C) LSD stalwart Leung "Long Hair" Kwok-hung argues that, if the pan-democrats aren't willing to go this far, then they are wasting their time in LegCo as an opposition. He sees Beijing as more amenable to pressure than others have

suggested to us. Right now, Leung believes, the "red capitalists" (i.e., the pro-Beijing tycoon-and-commercial establishment) are most influential, and Beijing is reluctant to cross them on issues like political reform. If five pan-democrats were to resign and then win reelection by large margins, Beijing would have to take notice, and could push back against the establishment. (Comment: This tracks with reftel comments by scholars that Beijing sees business as the core of Hong Kong, and therefore listens more to the tycoons than to the loyalist political parties. End comment.)

Should Beijing not be moved to compromise following a five-seat win, Leung believes all the pan-democrats should resign. He expects such a move would draw tremendous international attention, as well as empowering Taiwan opponents of greater engagement with the Mainland -- both outcomes Beijing would be keen to avoid. As proof that Beijing is worried, Leung points to the pro-Beijing media criticism of the by-election as a stunt which will waste public money holding an unnecessary election. Leung admits the pan-democrats will probably not agree to the plan, but claims he and his two LSD colleagues, Raymond Wong and Albert "Big Guy" Chan Wai-yip, will resign on their own. (Note: Should all three lose, that would cost the pan-democrats their "blocking minority.")

Raw Numbers

¶4. (SBU) Changes to the Basic Law require a two-thirds majority of LegCo. By virtue of holding 23 seats, the pan-democrats possess a "blocking minority", which guarantees

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that the government cannot pass constitutional reform proposals without their consent. If they lose three of the five seats included in the LSD plan, they would lose this veto. Polls consistently show public support for democratization. In 2007 polls taken prior to the central government's setting its timetable, the general public overwhelmingly backed universal suffrage in 2012 for both the CE and LegCo elections. The pan-democrats as a whole have also held convincing majorities at the ballot box since before the handover. If the Democratic Alliance for the Betterment of Hong Kong (DAB) could beat us, LSD's Leung concluded confidently, they would have done it already.

¶5. (SBU) Although the turnout for the proposed by-election would be lower than for the 2008 LegCo election, we have not detected a shift in public support in favor of either camp. Therefore, based on the two sides' gross totals in 2008, even if all the undecideds vote with the pro-Beijing camp, the pan-democrats should still win, although the margin is extremely small in New Territories West. However, the raw numbers mask several real-world problems. First, the numbers aggregate supporters of a diverse range of pan-democratic candidates running in the same district for different parties, and not all these constituencies might feel the same motivation to support someone else. For example, in New Territories West, the CTU's Lee Cheuk-yan would need to draw every single vote from a field that saw eight separate pan-democratic slates representing six parties. Second, it's not clear the pan-democrats would selflessly support each other in all five GCs. The LSD itself broke an informal pan-democratic agreement by attacking the Civics in 2008. Third, the DAB and pro-Beijing Federation of Trade Unions (FTU) could be expected to unite behind a single candidate, and Beijing could be expected to pull out all the stops to support them. It's far from clear whether independent pan-democrat Cyd Ho, who pulled together an ad-hoc coalition of underrepresented minorities and activists to win the last of six seats on Hong Kong Island, could stand up to, say, bright young lawyer and newly-elected DAB Vice Chair Horace Cheung, particularly with the DAB and Beijing's support.

¶ 6. (C) No one in the pan-democratic camp has publicly dismissed the idea of the by-elections, although none has publicly supported it, and the issue is fading from the news cycles. DPHK Chairman Albert Ho initially told the media that the idea was worth considering, after which DPHK Vice Chair Emily Lau (who has been tipped as one of the resignees) immediately told the press Ho was expressing a personal view.

Indeed, the parties have been chary of even talking to us about the plan. DPHK strategist C.K. Law brushed off a request to meet, saying the party had discussed the idea but not taken a position, and that he had nothing more to say on the matter. The Civic Party's Secretary General, Kenneth Chan, hemmed and hawed about the importance of framing the issue and making sure the voters were not turned off by divisions among the pan-democrats, before essentially admitting he expected (and hoped) the issue would fade away.

¶ 7. (C) CTU's Lee Cheuk-yan dismissed the idea as "too far-fetched" and told us the pan-democrats had held "no serious internal discussion" about the idea. Albert Ho, Lee explained, was merely responding to the LSD's Raymond Wong with his remarks. Lee sees a double risk in the plan. On the one hand, the pro-Beijing camp could run pseudo-democrats or even "crazy people" to de-legitimate the process and/or make the public resent the pan-democratic camp, lowering the turnout. On the other hand, the pro-Beijing camp might also run to win, in which case the pan-democrats might lose their "blocking minority." Interestingly, while Lee joins the other pan-democrats in dismissing the effect even five big wins would have on Beijing's thinking, he does see a value of a victory in terms of a morale boost for the pan-democratic movement.

¶ 8. (C) DPHK elder Szeto Wah surprised many by appearing willing to consider the LSD's plan, and offering up his own slate of candidates for the by-election. In response, his "proposal" was broadly criticized by pro-democratic scholars and other observers, which Szeto told us was the whole point.

With clear evidence that even the pan-democrats' allies don't support the "referendum", DPHK is able to let the plan die on its own or oppose it if necessary. Szeto assures us not even the LSD is doing any serious planning for a by-election. He scorns the idea the LSD will resign on its own, saying the three legislators would be unwilling to give up their salaries, offices, and allowances.

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Two-Pronged Response

¶ 9. (C) As noted, the pro-establishment and pro-Beijing media have been uniformly critical of the proposal, with much of the criticism centering on the waste of time and money for the public. (In contrast, critics more sympathetic to the pan-democrats' politics have focused more on the risk to the coalition's hold on the blocking minority.) The DAB, for its part, has pledged to contest every race, and we cannot imagine a scenario in which Beijing does not marshal all its forces in each district behind one candidate. The only potential vote-splitter for the pro-Beijing/pro-establishment side would be if Regina Ip attempted to run her 2008 election teammate Dr. Louis Shih on Hong Kong Island and/or other candidates under the Savantas Institute flag in the other districts.

MARUT